



Billing Code 7709-02-P

## **PENSION BENEFIT GUARANTY CORPORATION**

### **Submission of Information Collection for OMB Review; Comment Request; Survey of Nonparticipating Single Premium Group Annuity Rates**

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Notice of request for extension of OMB approval.

**SUMMARY:** The Pension Benefit Guaranty Corporation (“PBGC”) is requesting that the Office of Management and Budget (“OMB”) extend approval with modifications, under the Paperwork Reduction Act, of a collection of information (OMB control number 1212-0030; expires May 31, 2018). This voluntary collection of information is a quarterly survey of insurance company rates for pricing annuity contracts. The American Council of Life Insurers conducts the survey for PBGC. This notice informs the public of PBGC's request and solicits public comment on the collection of information.

**DATES:** Comments should be submitted by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** Comments should be sent to the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for Pension Benefit Guaranty Corporation, via electronic mail at [OIRA\\_DOCKET@omb.eop.gov](mailto:OIRA_DOCKET@omb.eop.gov) or by fax to (202) 395-6974.

A copy of the request (including the collection of information) will be posted on PBGC’s web site at <https://www.pbgc.gov/prac/laws-and-regulations/information-collections-under-omb-review>. It may also be obtained without charge by writing to the Disclosure Division of the Office of the General Counsel, 1200 K Street, NW., Washington, DC 20005-4026, faxing a request to 202-326-4042, or calling 202-326-4040 during normal business hours (TTY users may

call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4040). The Disclosure Division will e-mail, fax, or mail the information to you, as you request.

**FOR FURTHER INFORMATION CONTACT:** Stephanie Cibinic

(cibinic.stephanie@pbgc.gov), Deputy Assistant General Counsel, Regulatory Affairs Division, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026, 202 326-4400, extension 6352. TTY users may call the Federal relay service toll-free at 800-877-8339 and ask to be connected to 202-326-4400.

**SUPPLEMENTARY INFORMATION:** PBGC's regulations prescribe actuarial valuation methods and assumptions (including interest rate assumptions) to be used in determining the actuarial present value of benefits under single-employer plans that terminate (29 CFR Part 4044) and under multiemployer plans that undergo a mass withdrawal of contributing employers (29 CFR Part 4281). Each month PBGC publishes the interest rates to be used under those regulations for plans terminating or undergoing mass withdrawal during the next month.

The interest rates are intended to reflect current conditions in the annuity markets. To determine these interest rates, PBGC gathers pricing data from insurance companies that are providing annuity contracts to terminating pension plans through a quarterly “Survey of Nonparticipating Single Premium Group Annuity Rates.” The American Council of Life Insurers (ACLI) distributes the survey and provides PBGC with “blind” data (i.e., PBGC is unable to match responses with the companies that submitted them). PBGC also uses the information from the survey in determining the interest rates it uses to value benefits payable to participants and beneficiaries in PBGC-trusted plans for purposes of PBGC's financial statements.

PBGC is proposing several changes to the survey distributed by ACLI:

- Reduction in the number of ages for which PBGC requests net rate plan factors for immediate and deferred annuities, and removal of columns asking for Deferred to Exact Age 60 net rate plan factors. These changes are proposed because the net rate plan factors for the annuitant ages removed are no longer used when deriving interest factors. The proposed changes will simplify the completion of the survey.
- Increases in the dollar ranges of the Settlement Categories in Parts III and IV to better capture variability and range of business accepted by respondents. Dollar amounts previously used were too low to differentiate among insurance companies that responded to the survey.
- Addition of a question asking whether the respondent participated in the survey in the previous year to enable PBGC to determine the extent to which the survey respondents vary over time.
- Addition of a question asking whether the current value of the respondent's annuity portfolio is greater than \$5 billion. This proposed addition will permit PBGC to determine if the insurers who respond to the survey represent a sizable portion of the total annuity market.

On February 8, 2018 (at 83 FR 5649), PBGC gave public notice that it intended to request extension of OMB approval of this collection of information with the modifications and invited public comment by April 9, 2018. One comment was received in response to the notice.

The commenter made two suggestions. After consideration, PBGC determined not to adopt either suggestion because their adoption would reduce the anonymity of the respondents,

which in turn may affect the respondents' willingness to participate in the survey. The comment and PBGC's rationale for its decision are discussed in the supporting statement submitted to OMB for this information collection.

OMB has approved this collection of information under control number 1212-0030 through May 31, 2018. PBGC is requesting that OMB extend its approval for another three years with changes. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This voluntary survey is directed at insurance companies most, if not all, of which are members of ACLI. The survey is conducted quarterly and will be sent to approximately 22 insurance companies. PBGC estimates that about six insurance companies will respond to the survey each quarter, and that each survey will require approximately 30 minutes to complete and return. The total burden is estimated to be 12 hours (30 minutes per survey x four per year x six respondents).

Issued in Washington DC by

Stephanie Cibinic,  
Deputy Assistant General Counsel for Regulatory Affairs,  
Pension Benefit Guaranty Corporation.

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